

APPENDIX XIV

REGULATION OF MEMBERS OF BOARD OF GOVERNORS

NUMBER 20/6/PADG/2018

DATED

ON

IMPLEMENTATION OF OPEN MARKET OPERATION

SANCTIONS FOR CANCELLATION OF MONETARY OPERATION TRANSACTIONS

I. EXAMPLE OF SANCTIONS FOR CANCELLATION OF CONVENTIONAL MONETARY OPERATION TRANSACTIONS

Case 1

There are 6 (six) times of Monetary Operation transaction cancellations within 6 (six) months, namely 1 (one) SUN purchase by BI in the secondary market, 1 (one) 1-month SBI tender transaction, 1 (one) Deposit Facility transaction, 1 (one) SUN sale transaction by Bank Indonesia in the secondary market, 1 (one) Term Deposit transaction with tenor of 3 (three) days, and 1 (one) Repo transaction with tenor of 7 (seven) days.

Transaction Cancellation Date	14 Jul 20xx	15 Sep 20xx	9 Dec 20xx
Transaction Canceled	SUN purchase by Bank Indonesia in the secondary market	1-month SBI Tender	1) Deposit Facility 2) SUN sale by Bank Indonesia in the secondary market 3) Term Deposit with tenor of 3 (three) days 4) Repo with tenor of 7 (seven) days
Number of Cancellations	1	1	4
Accumulation of Cancellations	1	2	6 ¹⁾
Sanction Imposition Date	15 Jul 20xx	16 Sep 20xx	10 Dec 20xx
Sanction	a. Written reprimand; and b. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction's nominal value, Rp10 million at the minimum and Rp100 million at the maximum.	a. Written reprimand; and b. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction's nominal value, Rp10 million at the minimum and Rp100 million at the maximum.	a. Written reprimand; b. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction's nominal value, Rp10 million at the minimum and Rp100 million at the maximum; and c. Temporary suspension from participating in Monetary Operation activities for 5 (five) consecutive business days, namely 10, 11, 12, 15, and 16

Transaction Cancellation Date	14 Jul 20xx	15 Sep 20xx	9 Dec 20xx
			December 20xx

1) Accumulated cancellations of Monetary Operation transactions for 6 (six) times from 14 July 20xx.
Then, the start of a period of 6 (six) months will be counted from the next cancellation.

Case 2

There are 5 (five) times of Monetary Operation transaction cancellations within 6 (six) months, namely 1 (one) SUN purchase by BI in the secondary market, 1 (one) Lending Facility transaction, 1 (one) SUN sale transaction by Bank Indonesia in the secondary market, 1 (one) Term Deposit transaction with tenor of 3 (three) days, and 1 (one) Repo transaction with tenor of 7 (seven) days.
Then, there are 3 (three) times of Monetary Operation transaction cancellations within 6 (six) months, namely 1 (one) Deposit Facility transaction, 2 (two) 1-month SBI tender transaction, and 3-month SBI tender transactions.

Cancellation Date Transaction	14 Jul 20xx	12 Agt 20xx	9 Dec 20xx	16 Dec 20xx
Transaction Canceled	SUN purchase by BI in the secondary market	1) Lending Facility 2) SUN sale by Bank Indonesia in the secondary market 3) Term Deposit with tenor of 3 (three) days 4) Repo with tenor of 7 (seven) days	Deposit Facility	1) 1-month SBI Tender 2) 3-month SBI Tender
Number of Cancellations	1	4	1	2
Accumulation of	1	5 ²⁾	1	3 ³⁾

Cancellation Date Transaction	14 Jul 20xx	12 Agt 20xx	9 Dec 20xx	16 Dec 20xx
Cancellations				
Sanction Imposition Date	15 Jul 20xx	13 Agt 20xx	10 Dec 20xx	17 Dec 20xx
Sanction	<p>a. Written reprimand; and</p> <p>b. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction's nominal value, Rp10 million at the minimum and Rp100 million at the maximum.</p>	<p>a. written reprimand;</p> <p>b. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction's nominal value, Rp10 million at the minimum and Rp100 million at the maximum; and</p> <p>c. Temporary suspension from participating in Monetary Operation activities for 5 (five) consecutive business days, namely 13, 14, 15, 18, and 19 August 20xx.</p>	<p>a. Written reprimand; and</p> <p>b. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction's nominal value, Rp10 million at the minimum and Rp100 million at the maximum.</p>	<p>a. written reprimand;</p> <p>b. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction's nominal value, Rp10 million at the minimum and Rp100 million at the maximum; and</p> <p>c. Temporary suspension for 5 (five) consecutive business days, namely 17, 18, 19, 22, and 23 December 20xx.</p>

²⁾ Accumulated cancellations of Monetary Operation transactions for 5 (five) times from 14 July 20xx.

³⁾ Accumulated cancellations of Monetary Operation transactions for 3 (three) times from 9 July 20xx.

Then, the start of a period of 6 (six) months will be counted from the next cancellation.

Case 3

On 14 July 20xx, there is 1 (one) cancellation of SUN purchase transactions by Bank Indonesia in the secondary market.

On 28 August 20xx, there is 1 (one) cancellation of Deposit Facility transaction. Therefore, there are 2 (two) accumulated cancellations from 14 July 20xx (still within a period of 6 (six) months).

On 26 January 20xy, there is 1 (one) cancellation of Deposit Facility transaction. Accumulated cancellations are not counted from the cancellation on 14 July 20xx because it has passed a period of 6 (six) months, but it is counted from the cancellation on 28 August 20xx. Therefore, the accumulated cancellations are 2 (two) times.

Then, on 2 February 20xy, there is 1 (one) cancellation of 1-month SBI tender transaction. There are 3 (three) accumulated cancellations from 28 August 20xx (still within a period of 6 (six) months).

Cancellation Date Transaction	14 Jul 20xx	28 Agt 20xx	26 Jan 20xy	2 Feb 20xy
Transaction Canceled	SUN purchase by Bank Indonesia in the secondary market	Deposit Facility	Deposit Facility	1-month SBI Tender
Number of Cancellations	1	1	1	1
Accumulation of Cancellations	1	2	2 ⁴⁾	3 ⁵⁾
Sanction Imposition Date	15 Jul 20xx	29 Agt 20xx	27 Jan 20xy	3 Feb 20xy
Sanction	a. Written reprimand; and	a. Written reprimand; and	a. Written reprimand; and	a. written reprimand;
	b. Payment obligation of 0.01% (zero point zero one percent) from the	b. Payment obligation of 0.01% (zero point zero one percent) from the	b. Payment obligation of 0.01% (zero point zero one percent) from the	b. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction's

Cancellation Date Transaction	14 Jul 20xx	28 Agt 20xx	26 Jan 20xy	2 Feb 20xy
	declared canceled transaction's nominal value, Rp10 million at the minimum and Rp100 million at the maximum.	declared canceled transaction's nominal value, Rp10 million at the minimum and Rp100 million at the maximum.	declared canceled transaction's nominal value, Rp10 million at the minimum and Rp100 million at the maximum.	nominal value, Rp10 million at the minimum and Rp100 million at the maximum; and c. Temporary suspension from participating in Monetary Operation activities for 5 (five) consecutive business days, namely 4, 5, 6, 9, and 10 February 20xy.

4) Accumulated cancellations of OMO transactions for 2 (two) times from 14 July 20xx. The cancellation on 26 January 20xy is outside a period of 6 months from 14 July 20xx, but it is still within a period of 6 months from the cancellation on 28 August 20xx.

5) Accumulated cancellations of OMO transactions for 3 (three) times from 28 August 20xx. The cancellation on 2 February 20xy is outside a period of 6 months from 14 July 20xx, but it is still within a period of 6 months from the cancellation on 28 August 20xx. Then, the start of a period of 6 (six) months will be counted from the next cancellation.

II. EXAMPLE OF SANCTIONS FOR CANCELLATION OF SHARIA MONETARY OPERATION TRANSACTIONS

Case 1

There are 6 (six) times Sharia Monetary Operation transaction cancellations within 6 (six) months, namely 1 (one) SBSN purchase by Bank Indonesia in the secondary market, 1 (one) SBIS tender transaction, 1 (one) FASBIS transaction, 1 (one) SBSN sale transaction by Bank Indonesia in the secondary market, 1 (one) SBSN Reverse Repo transaction, and 1 (one) SBSN Repo Financing Facility transaction.

Transaction Cancellation
Date

Transaction Cancellation Date	29 Jul 20xx	9 Oct 20xx	6 Jan 20xy
Transaction Canceled	SBSN purchase by BI in the secondary market	SBIS Tender	1) FASBIS 2) SBSN sale by BI in the secondary market 3) SBSN <i>Reverse Repo</i> 4) SBSN <i>Repo (financing facility)</i>
Number of Cancellations	1	1	4
Accumulation of Cancellations	1	2	6 ¹
Sanction Imposition Date	30 Jul 20xx	12 Oct 20xx	7 Jan 20xy
Sanction	c. Written reprimand; and	c. Written reprimand; and	d. Written reprimand; and
	d. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction value, Rp10 million at the minimum and Rp100 million at the maximum.	d. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction value, Rp10 million at the minimum and Rp100 million at the maximum.	e. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction value, Rp10 million at the minimum and Rp100 million at the maximum. f. Temporary suspension from participating in Monetary Operation activities for 5 (five) consecutive business days, namely 7, 8, 11, 12, and 13 January 20xy.

¹ Accumulated cancellations of Monetary Operation transactions for 6 (six) times from 30 July 20xx.

Then, the start of a period of 6 (six) months will be counted from the next cancellation.

Case 2

There are 5 (five) times Sharia Monetary Operation transaction cancellations within 6 (six) months, namely 1 (one) SBSN purchase by Bank Indonesia in the secondary market, 1 (one) SBSN Repo (Financing Facility) transaction, 1 (one) SBSN sale transaction by Bank Indonesia in the secondary market, 1 (one) FASBIS transaction, and 1 (one) SBSN Reverse Repo transaction. Then, there are 3 (three) times Sharia Monetary Operation transaction cancellations within 6 (six) months, namely 1 (one) FASBIS transaction and 2 (two) times 3-month SBIS tender transaction and 9-month SBIS tender transactions.

Cancellation Date Transaction	29 Jul 20xx	9 Sep 20xx	4 Feb 20xy	12 Feb 20xy
Transaction Canceled	SBSN purchase by BI in the secondary market	1) SBSN Repo (Financing Facility) 2) SBSN sale by BI in the secondary market 3) FASBIS 4) SBSN Reverse Repo	FASBIS	3-month SBIS tender 9-month SBIS tender
Number of Cancellations	1	4	1	2
Accumulation of Cancellations	1	5 ²	1	3 ³
Sanction Imposition	30 Jul 20xx	10 Sep 20xx	5 Feb 20xy	15 Feb 20xy

² Accumulated cancellations of Monetary Operation transactions for 5 (five) times from 29 July 20xx
³ Accumulated cancellations of Monetary Operation transactions for 3 (three) times from 4 February 20xy

Cancellation Date Transaction	29 Jul 20xx	9 Sep 20xx	4 Feb 20xy	12 Feb 20xy
Date				
Sanction	c. Written reprimand; and d. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction value, Rp10 million at the minimum and Rp100 million at the maximum.	d. Written reprimand; e. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction value, Rp10 million at the minimum and Rp100 million at the maximum. f. Temporary suspension from participating in Monetary Operation activities for 5 (five) consecutive business days, namely 10, 11, 14, 15, and 16 September 20xx.	c. Written reprimand; and d. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction value, Rp10 million at the minimum and Rp100 million at the maximum.	d. written reprimand; e. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction value, Rp10 million at the minimum and Rp100 million at the maximum. f. Temporary suspension for 5 (five) consecutive business days, namely 15, 16, 17, 18, and 19 February 20xy.

Then, the start of a period of 6 (six) months will be counted from the next cancellation.

Case 3

On 29 July 20xx, there is 1 (one) time cancellation of SBSN purchase transaction by Bank Indonesia in the secondary market, and on 18 September 20xx, there is 1 (one) time FASBIS transaction cancellation, and therefore, there are 2 (two) times accumulated cancellations from 30 July 20xx (still within a period of 6 (six) months).

On 3 February 20xy, there is 1 (one) cancellation of FASBIS transaction. Accumulated cancellations are not counted from the cancellation on 29 July 20xx because it has passed a period of 6 (six) months, but it is counted from the cancellation on 18 September 20xx. Therefore, the accumulated cancellations are 2 (two) times.

Then, on 12 February 20xy, there is 1 (one) time cancellation of 3-month SBIS tender transaction (Accumulated cancellations are 3 (three) times from the cancellation on 18 September 20xx (still within a period of 6 (six) months).

Cancellation Date Transaction	29 Jul 20xx	18 Sep 20xx	3 Feb 20xy	12 Feb 20xy
Transaction Canceled	SBSN purchase by BI in the secondary market	FASBIS	FASBIS	3-month SBIS tender
Number of Cancellations	1	1	1	1
Accumulation of Cancellations	1	2	2 ⁴	3 ⁵
Sanction Imposition Date	30 Jul 20xx	21 Sep 20xx	4 Feb 20xy	15 Feb 20xy

⁴ Accumulated cancellations of OMO transactions are 2 (two) times from 29 July 20xx. The cancellation on 3 February 20xy is outside a period of 6 months from the cancellation on 29 July 20xx, but it is still within a period of 6 months from the cancellation on 18 September 20xx.

⁵ Accumulated cancellations of OMO transactions are 3 (three) times from 18 September 20xx. The cancellation on 12 February 20xy is outside a period of 6 months from the cancellation on 29 July 20xx, but it is still within a period of 6 months from the cancellation on 18 September 20xx.

Cancellation Date Transaction	29 Jul 20xx	18 Sep 20xx	3 Feb 20xy	12 Feb 20xy
Sanction	c. Written reprimand; and	c. Written reprimand; and	c. Written reprimand; and	d. Written reprimand;
	d. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction value, Rp10 million at the minimum and Rp100 million at the maximum.	d. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction value, Rp10 million at the minimum and Rp100 million at the maximum.	d. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction value, Rp10 million at the minimum and Rp100 million at the maximum.	e. Payment obligation of 0.01% (zero point zero one percent) from the declared canceled transaction value, Rp10 million at the minimum and Rp100 million at the maximum. f. Temporary suspension from participating in Monetary Operation activities for 5 (five) consecutive business days, namely 15, 16, 17, 18, and 19 February 20xy.

Then, the start of a period of 6 (six) months will be counted from the next cancellation.

MEMBER OF BOARD OF
GOVERNORS,

ERWIN RIJANTO